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UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

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IRA NATHIEL and SHELDON NATHIEL, :

Plaintiffs, :

-against- :

07 CIV. 10956

RICHARD SIEGAL, GEORGE COLEMAN, ROBERT A. :
TREVISANI, PAUL HOWARD, HARVEY JOSEPHSON, :
RICHARD S. GURALNICK, SCHAIN LEIFER :
GURALNICK, BISTATE OIL MANAGEMENT :
CORPORATION, SS&T HOLDING CO., LLC, :
PALACE EXPLORATION COMPANY, TAH :
DRILLING CO., INC., TAQ DRILLING CO., INC., and :
OIL AND GAS TITLE HOLDING CORPORATION :

**DECLARATION OF
IRA NATHIEL**

Defendants.
-----X

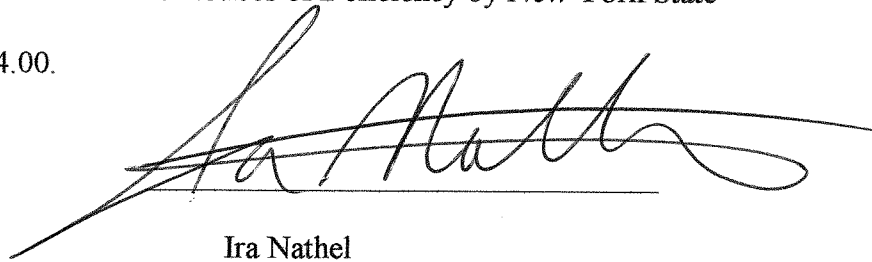
I, Ira Nathiel, declare, under penalty of perjury pursuant to 28 U.S.C. 1746(2), as follows:

1. I am a plaintiff in the above captioned action together with my brother, Sheldon Nathiel. I am fully familiar with the facts and circumstances set forth below and I make this declaration in support of the cross-motion, on behalf of myself and my brother, to file a second amended complaint and in opposition to the defendants' motions to dismiss.

2. In June 2008, Sheldon and I received Notices of Deficiency from New York State which assessed penalties on disallowed intangible drilling costs related to our investments in partnerships promoted by defendant Richard Siegal including Indian Village Drilling Company, Condor Drilling Company, and Hurricane Drilling Company.

3. The amount of penalties assessed in the Notices of Deficiency by New York State for the three partnerships totaled \$79, 294.00.

Dated: New York, New York
July 24, 2008

A handwritten signature in black ink, appearing to read 'Ira Nathel', is written over a horizontal line. The signature is stylized with a large initial 'I' and a long, sweeping underline that extends to the right.

Ira Nathel